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SUPERVISOR: MAJOR PROGRAMS SUPERVISOR US

PROGRAM: OFF THE HOOK

Program Information: This Program is designed to take us through to a completed cycle of action with IRS, i.e., off the hook, future threat nullified. It co-ordinates existing Programs and Projects and sets new targets, some of which will need Projects.

This Program is of very high priority.

MAJOR TARGET: To get Scientology in all its aspects "off the hook" with the IRS, and all future threat from the IRS nullified.

OPERATING TARGETS:SECTION A: Org Exemptions:

1. Review handling of the IRS Church of Scientology of California Audit to ensure that it is all being done per approved GO 1135's, per GPgmO 1646, and that the GO 1135's are up-to-date and all inclusive of problems we will face. Report results to DGUS, DG Finance WW, DG Legal WW, The Guardian WW, and CS-G.

DG F US, DG L US

2. If amplification of 1135's is needed, get this done by fastest means.

DG F US

DG L US

3. Prepare 1023 Applications for Exemption for Celebrity Center and FCDC and have ready for submission prior to conclusion of Church of Scientology of California audit. (This is so that upon successful CSC conclusion, Celebrity Center and FCDC can be filed immediately.)

CPA US

DG L US

4. Write a separate project to push through the New York Exemption, including all necessary heat, for DGUS approval and relay to WW for issuance as a Guardian Program Order.

DG L US

5. Continue to monitor IRS handling of audit on 1361 lines, and keep all concerned informed of progress.

DG I US

6. Hold off submission of the San Diego 1023 Application until California, New York, Celebrity Center, and FCDC have their exemptions, so we have a strong Class IV Org case to fight on harassment issues.

DG L US

7. Ensure all attack preparation is completed and honed to razor sharp edge per Programs 1361-1, 1361-2, 1361-3, in the event the IRS turns nasty on us, and any of the Exemptions fall through.

Those With Targets, MJR PGMS SUP US

Ex. 45

8. Immediately Eval any severe breakdowns of forward progress on obtaining the Church of Scientology of California (or Celebrity Center, FCDC, New York) Exemption, while attacks prepared in No. 7 above are unleashed.

DGUS

9. Upon receipt of Exemptions, settle all outstanding Legal cases with maximum permanency and value as a precedent.

DG F US

SECTION B: Tax and Corporate Loose Ends: Outside View of Current CSC Audit.

(These are items Legal and Finance have come up with that are not subject to current IRS Audit, but require finalizing. These include: RRF as it may relate to the US scene, Flag Royalties and Flag Admin Billings and Mimeo Royalties.)

10. **VITAL TARGET:** Ensure Operations as they currently exist and are planned are given high priority throughout this Section so that solutions stay workable. Operations includes Founder's activity and production as well as Orgs.

DGUS, ALL CONCERNED

11. Separate out the situations that appear to require handling.

DG L US, DG F US, CPA US

12. Draw up the facts regarding each of these situations.

DG F US, CPA US

13. Research the applicable regulations, case law, etc., re each of these situations, making copies of relevant Law material found.

DG L US

14. Draw up conclusions based on fact and law.

DG L US, DG F US, CPA US

15. Draw up proposed handlings and put in CSW form with full data. Send up to WW for OK and relay to CS-G.

DG L US, DG F US, CPA US

16. Ensure approved handlings are carried out.

DGUS

SECTION C: Founder's Protection from IRS Attack:

17. Complete ED 221, GOUS LRH Tax Security.

CPA US

18. Prepare full documentation on any issues predicted as potential subjects of IRS attention.

CPA US

19. Thoroughly research tax law having to do with personal audits, so that an individual's rights in any given instance are known, and understood. Summarize for use by those concerned.

DG L US

20. Determine IRS Audit procedures, both internal and as they affect the taxpayer. Summarize for use by those concerned.

CPA US, DG L US

21. Back up CPA US's and DG Legal's action above by acquiring any confidential information re internal procedures of IRS on Personal Audits.

DG I US

22. Ensure 1361 Collection line keeps close watch on area of IRS concerned with LRH Tax Returns (currently OIO) and provides Early Warning of any IRS intended action.

DG I US

23. While Court cases still active, maintain 1361 line watch on Justice, & IRS for Early Warning of service or subpoena.

DG I US

24. Upon successful completion of Church of Scientology of California Audit (exemption) and obtaining of New York, Celebrity Center, FCDC Exemptions, have Tolzmann let the IRS know firmly and with implied threat of resumption of attack, that any attempt by the IRS to revive its previous abusive practices by harassing LRH will be dealt with harshly (i.e., inclusion of terminals involved in a Conspiracy Suit.).

Henning Heldt
Deputy Guardian US

for

Jane Kember
The Guardian WW

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